

**McCLAIN  
COUNTY**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2006**

**COUNTY  
AUDIT**



**Jeff A. McMahan**

Oklahoma State Auditor  
& Inspector

**McCLAIN COUNTY, OKLAHOMA  
FINANCIAL STATEMENT  
AND INDEPENDENT AUDITOR'S REPORT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

---

This publication is printed and issued by the State Auditor and Inspector as authorized by 19 O.S. § 171. Pursuant to 74 O.S. § 3105.B, thirty-five (35) copies have been prepared and distributed at a cost of \$91.97. Copies have been deposited with the Publications Clearinghouse of the Oklahoma Department of Libraries.



**STATE OF OKLAHOMA**  
**OFFICE OF THE AUDITOR AND INSPECTOR**

JEFF A. McMAHAN  
State Auditor and Inspector

June 4, 2008

TO THE CITIZENS OF  
McCLAIN COUNTY, OKLAHOMA

Transmitted herewith is the audit of McClain County, Oklahoma, for the fiscal year ended June 30, 2006. A report of this type is critical in nature; however, we do not intend to imply that our audit failed to disclose commendable features in the present accounting and operating procedures of the County.

We wish to take this opportunity to express our appreciation for the assistance and cooperation extended to our office during the course of our audit.

The Office of the State Auditor and Inspector is committed to serving the public interest by providing independent oversight and by issuing reports that serve as a management tool to the state to ensure a government which is accountable to the people of the State of Oklahoma.

Sincerely,

A handwritten signature in blue ink that reads "Michelle R. Day".

MICHELLE R. DAY, Esq.  
Deputy State Auditor and Inspector

**McCLAIN COUNTY, OKLAHOMA  
FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

---

**TABLE OF CONTENTS**

INTRODUCTORY SECTION (Unaudited)

Report to the Citizens of McClain County.....	iii
County Officials and Responsibilities.....	iv
Ad Valorem Tax Distribution .....	ix
Computation of Legal Debt Margin.....	x
Ratio of Net General Bonded Debt to Assessed Value and Net Bonded Debt Per Capita .....	xi
Assessed Value of Property .....	xii

FINANCIAL SECTION

Report of State Auditor and Inspector .....	1
Basic Financial Statement:	
Combined Statement of Receipts, Disbursements, and Changes in Cash Balances (with Combining Information) .....	3
Notes to the Financial Statement.....	4

OTHER SUPPLEMENTARY INFORMATION

Comparative Schedule of Receipts, Expenditures, and Changes in Cash Balances—Budget and Actual—Budgetary Basis—General Fund.....	12
Comparative Schedule of Receipts, Expenditures, and Changes in Cash Balances—Budget and Actual—Budgetary Basis—County Health Department Fund .....	14
Notes to Other Supplementary Information .....	15

**McCLAIN COUNTY, OKLAHOMA  
FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

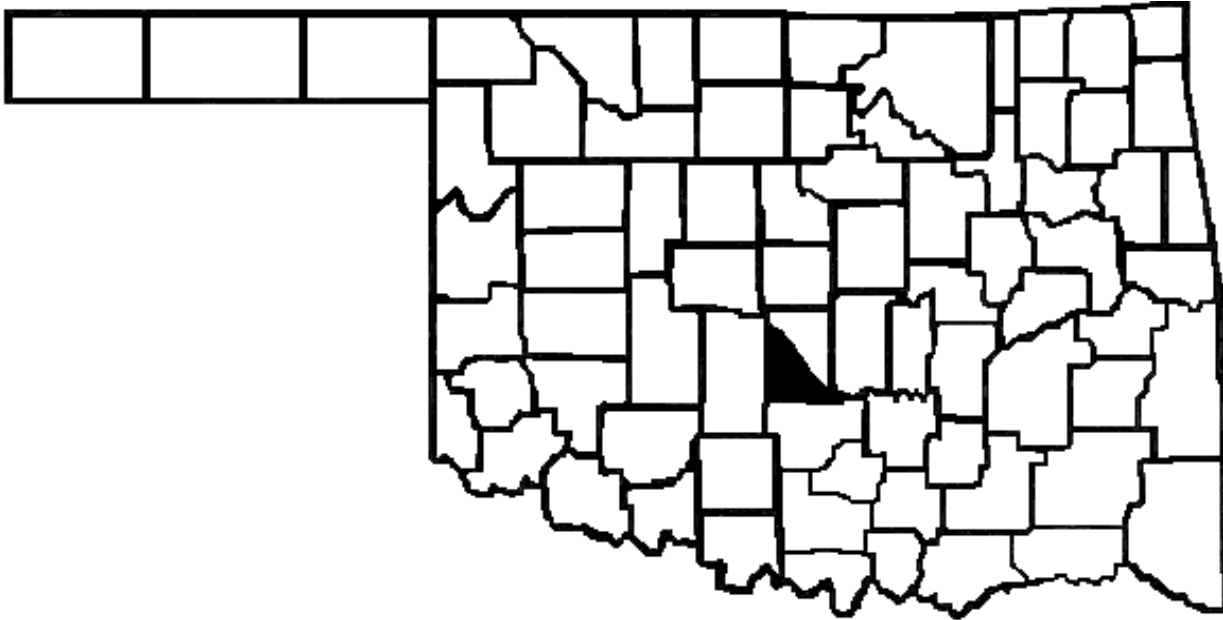
---

INTERNAL CONTROL AND COMPLIANCE SECTION

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i> .....	16
Schedule of Findings and Responses .....	18

**REPORT TO THE CITIZENS  
OF  
McCLAIN COUNTY, OKLAHOMA**

---



McClain County, originally part of Curtis County in the proposed state of Sequoyah, was created at statehood. The county was named for Charles M. McClain, a member of the Oklahoma Constitutional Convention and an early resident of Purcell.

Forty-niners on their way to the gold fields of California passed through southern McClain County on the California Trail that paralleled present S.H. 59. To protect travelers going west, Camp Arbuckle was established by the U.S. Army in 1850, northwest of present-day Byars. For health reasons, the camp was abandoned after a year for a site 30 miles southwest in the Arbuckles.

In the 1870s large ranching operations north of the Washita River belonged either to those of Indian blood or those related to Indians by marriage. Black slaves formerly owned by Choctaw and Chickasaw families were also eligible to own land. Cotton gins in many small towns prepared raw cotton for the cotton press in Purcell, the county seat. Broom corn growing was also productive in the 1920s and 1930s.

Today, McClain County is basically rural in nature, but I-35 enables easy access to the Oklahoma City metropolitan area. The McClain County Historical Society has published a three-volume history of the area, and sponsored the Morman microfilming of county records in 1998. For more information, call the county clerk's office at 405-527-3360, or the McClain County Museum at 405-527-5894 weekday afternoons.

County Seat – Purcell

Area – 580.13 Square Miles

County Population – 29,070  
(2004 est.)

Farms – 1,273

Land in Farms – 307,330 Acres

Primary Source: Oklahoma Almanac 2005-2006

See independent auditor's report.

**McCLAIN COUNTY OFFICIALS  
AND RESPONSIBILITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

---

**COUNTY ASSESSOR**

Kathy Ladlee  
(D) Purcell

The County Assessor has the responsibility to appraise and assess the real and personal property within the county for the purpose of ad valorem taxation. Also, the County Assessor is required to compute the ad valorem taxes due on all taxable property. The County Assessor appraises all the taxable real and personal property according to its fair cash value for which the property is actually being used as of January 1 of the taxable year at the percentages provided for in Article 10, § 8 of the Oklahoma Constitution.

The County Assessor is required to build and maintain permanent records of the taxable real property and tax exempt real property within the county. Information entered on each record includes the property's legal description, owner's name and address, and the homestead exemption status of the owner.

**COUNTY CLERK**

Lois Hawkins  
(D) Wayne

The County Clerk serves as the register of deeds and custodian of records for the county. The County Clerk also serves as the secretary to several boards, including the Board of County Commissioners, the County Excise Board, the County Board of Equalization, and the Board of Tax Roll Corrections.

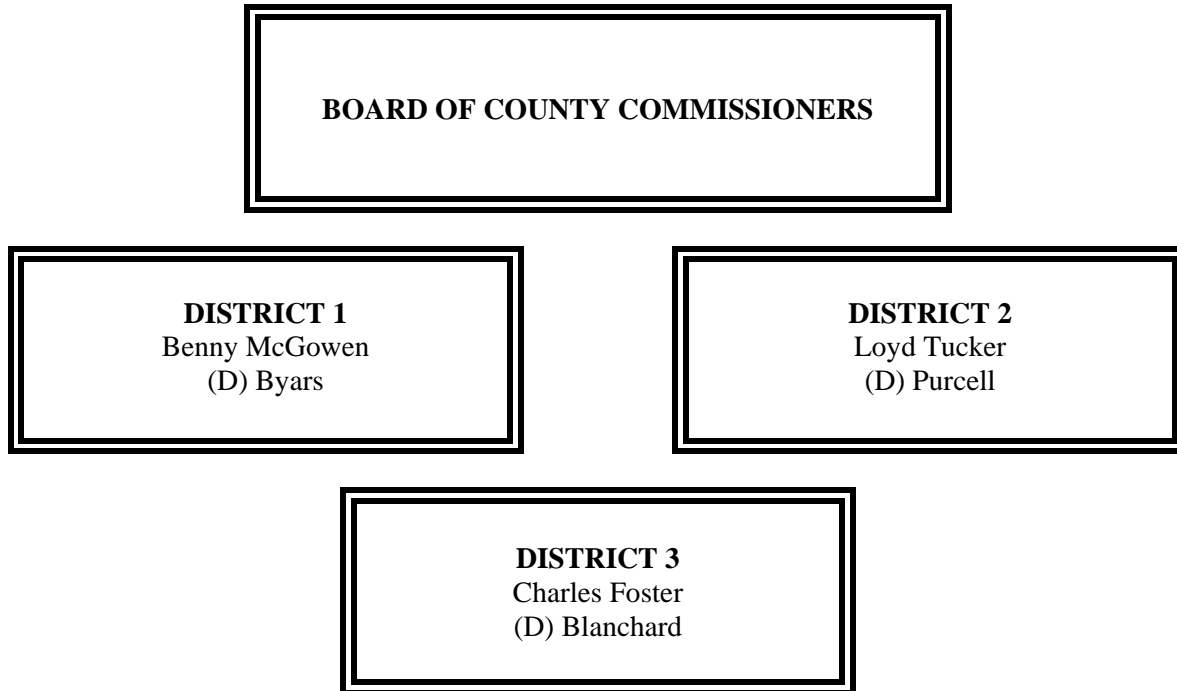
The County Clerk reviews all the claims for payment of goods and services purchased or contracted by the county, and prepares the proper warrants for payment of those goods and services and the county payroll. The County Clerk, or his or her designated deputy, serves as the purchasing agent for the county. This system is a means to ensure the public that tax dollars are being spent appropriately.

Various records within the different county offices are classified as "open records." As such, they can be reviewed and mechanically copied by the public.

See independent auditor's report.

**McCLAIN COUNTY OFFICIALS  
AND RESPONSIBILITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

---



The Board of County Commissioners is the chief administrative body for the county. County Commissioners are also responsible for maintaining and constructing the county roads and bridges.

The Commissioners must act as a Board when entering into contracts or other agreements affecting the county's welfare. Thus, actions taken by the Board are voted on and approved by a majority of the Commissioners. The Board of County Commissioners' business meetings are open to the public.

As the county's chief administrative body, the three County Commissioners must make major financial decisions and transactions. The Board has the official duty to ensure the fiscal responsibility of the other county officers who handle county funds. The review and approval procedures empowered to the Board of County Commissioners are a means to provide the public with a fiscally efficient system of county government.

See independent auditor's report.



**McCLAIN COUNTY OFFICIALS  
AND RESPONSIBILITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

---

**COUNTY SHERIFF**  
Don Hewett  
(D) Washington

The County Sheriff is responsible for preserving the peace and protecting life and property within the county's jurisdiction. As the county's chief law enforcement officer, the Sheriff has the power and authority to suppress all unlawful disturbances, to apprehend and secure persons charged with felony or breach of peace, and to operate the county jail.

The County Sheriff has the responsibility of serving warrants and processing papers ordered by the District Court.

**COUNTY TREASURER**  
Teresa Jones  
(D) Washington

All collections by county government from ad valorem taxes and other sources are deposited with the County Treasurer. The County Treasurer collects ad valorem taxes for the county and its political subdivisions. The County Treasurer is authorized to issue delinquent personal property tax warrants and to impose tax liens on real property for delinquent taxes.

To account for county collections and disbursements, the County Treasurer is required to maintain an accurate record of all the monies received and disbursed. The State Auditor and Inspector's Office prescribes all the forms used by the County Treasurer, and at least twice a year inspects the County Treasurer's accounts.

See independent auditor's report.

**McCLAIN COUNTY OFFICIALS  
AND RESPONSIBILITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

---

**COURT CLERK**  
Lynda Baker  
(D) Purcell

The Court Clerk has the primary responsibility to record, file, and maintain as permanent records the proceedings of the District Court.

Court proceedings are recorded in the appropriate journal or record docket. All the court proceedings are public information except those related to juvenile, guardianship, adoption, and mental health cases.

The Court Clerk issues marriage licenses, passports, notary certificates, beer and pool hall licenses, and private process server licenses.

Monies from the court fund are identified for distribution by the Court Clerk to the appropriate units of county and state government. Court Clerks use forms and follow procedures prescribed by the Court Administrator's Office, the Oklahoma Supreme Court, and the State Auditor and Inspector.

**DISTRICT ATTORNEY**  
Tim Kuykendall  
(R) Norman

As the chief attorney for county government, the District Attorney acts as the legal advisor to the county officers on matters related to their duties. The District Attorney represents the county in civil litigation. County officials may call upon the District Attorney to clarify a law or request an official interpretation from the Attorney General.

See independent auditor's report.

**McCLAIN COUNTY OFFICIALS  
AND RESPONSIBILITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

---

<p><b>ELECTION BOARD SECRETARY</b> Marilyn McReynolds (D) Purcell</p>
---

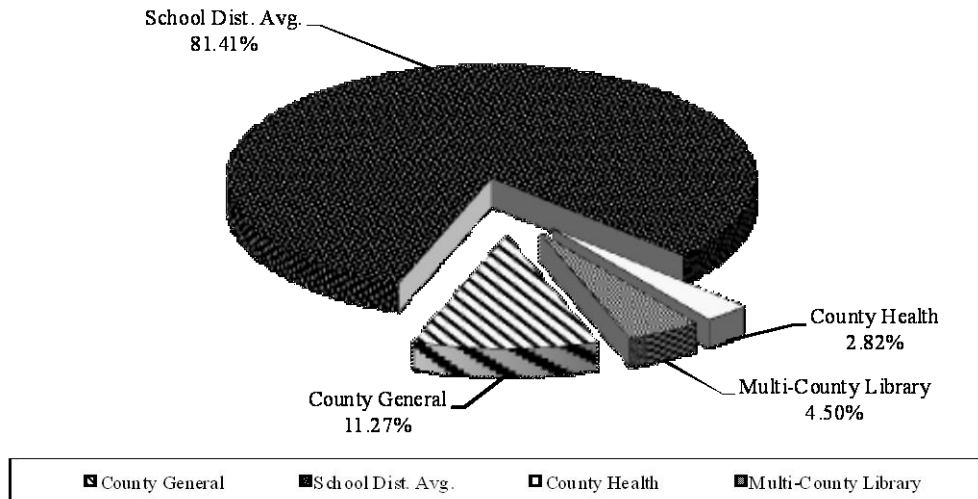
The Election Board Secretary is appointed by the State Election Board and is the chief administrative officer of the County Election Board. The County Election Board has direct responsibility for all the ballots used in all elections within the county. The Board also conducts all elections held within the county.

To finance the operation of the County Election Board, the County Excise Board must appropriate sufficient funds annually. The state and counties split the election costs, but counties must pay for any county elections not held concurrently with state elections.

See independent auditor's report.

**McCLAIN COUNTY, OKLAHOMA  
AD VALOREM TAX DISTRIBUTION  
SHARE OF THE AVERAGE MILLAGE  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

Property taxes are calculated by applying a millage rate to the assessed valuation of property. Millage rates are established by the Oklahoma Constitution. One mill equals one-thousandth of a dollar. For example, if the assessed value of a property is \$1,000.00 and the millage rate is 1.00, then the tax on that property is \$1.00. This chart shows the different entities of the County and their share of the various millages as authorized by the Constitution.



County-Wide Millages			School District Millages						
				Gen.	Bldg.	Skd.	Career Tech	Common	Total
County General	10.28								
County Health	2.57	Newcastle	I-1	36.02	5.15	24.69	11.32	4.11	81.29
Multi-County Library	4.11	Dibble	I-2	36.19	5.17	20.82	11.32	4.11	77.61
		Byars	D-4	36.51	5.22	17.10	11.32	4.11	74.26
Other		Washington	I-50	36.12	5.16	24.64	11.32	4.11	81.35
EMS (SD-I-1, I-2, and I-29)	3.09	Wayne	I-10	36.19	5.17	5.47	11.32	4.11	62.26
		Purcell	I-15	35.77	5.11	17.21	11.32	4.11	73.52
		Blanchard	I-29	36.02	5.15	29.70	11.32	4.11	86.30
		Paoli	J-5	35.14	5.02	4.47	11.32	4.11	60.06
		Maysville	J-7	36.37	5.20	14.00	11.32	4.11	71.00
		Lindsay	J-9	36.26	5.18	9.81	11.32	4.11	66.68
		Stratford	J2-49	35.63	5.09	5.50	11.32	4.11	61.65
		Norman	J29-32	35.39	5.06	21.03	14.15	4.11	79.74
		Alex	J-56	36.82	5.26	14.48	15.78	4.11	76.45
		Bridge Creek	J-95	36.33	5.19	15.66	11.32	4.11	72.61
		Asher	J-112	35.77	5.11	28.85	15.31	4.11	89.15

See independent auditor's report.

**McCLAIN COUNTY, OKLAHOMA  
COMPUTATION OF LEGAL DEBT MARGIN  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006  
(UNAUDITED)**

---

---

Total net assessed value as of January 1, 2005		<u>\$ 144,979,889</u>
Debt limit - 5% of total assessed value		7,248,994
Total bonds outstanding	-	
Total judgments outstanding	-	
Less cash in sinking fund	-	<u>-</u>
Legal debt margin		<u>\$ 7,248,994</u>

See independent auditor's report.

**McCLAIN COUNTY, OKLAHOMA  
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED  
VALUE AND NET BONDED DEBT PER CAPITA  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006  
(UNAUDITED)**

---

	<b>2006</b>
Estimated population	<b>29,070</b>
Net assessed value as of January 1, 2005	<b>\$ 144,979,889</b>
Gross bonded debt	-
Less available sinking fund cash balance	-
Net bonded debt	<b>\$ -</b>
Ratio of net bonded debt to assessed value	<b>0.00%</b>
Net bonded debt per capita	<b>\$ -</b>

See independent auditor's report.

**McCLAIN COUNTY, OKLAHOMA  
ASSESSED VALUE OF PROPERTY  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006  
(UNAUDITED)**

---

---

<u>Valuation Date</u>	<u>Personal</u>	<u>Public Service</u>	<u>Real Estate</u>	<u>Homestead Exemption</u>	<u>Net Value</u>	<u>Estimated Fair Market Value</u>
1/1/2005	\$11,326,321	\$38,295,451	\$101,925,476	\$6,567,359	\$144,979,889	\$1,203,632,023

See independent auditor's report.

**FINANCIAL SECTION**





**STATE OF OKLAHOMA**  
**OFFICE OF THE AUDITOR AND INSPECTOR**

**JEFF A. McMAHAN**  
State Auditor and Inspector

**Independent Auditor's Report**

TO THE OFFICERS OF  
McCLAIN COUNTY, OKLAHOMA

We have audited the combined totals—all funds of the accompanying Combined Statement of Receipts, Disbursements, and Changes in Cash Balances of McClain County, Oklahoma, as of and for the year ended June 30, 2006, listed in the table of contents as the basic financial statement. This financial statement is the responsibility of McClain County's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion. Oklahoma Statutes, in addition to audit responsibilities, assign other responsibilities to the State Auditor and Inspector's Office. Those responsibilities include providing various information technology (IT) support for county government.

As described in Note 1, this financial statement was prepared using accounting practices prescribed or permitted by Oklahoma state law, which practices differ from accounting principles generally accepted in the United States of America. The effects on the financial statement of the variances between these regulatory accounting practices and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

In our opinion, because of the matter discussed in the preceding paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of McClain County as of June 30, 2006, or changes in its financial position for the year then ended.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the combined total of receipts, disbursements, and changes in cash of McClain County, for the year ended June 30, 2006, on the basis of accounting described in Note 1.

In accordance with *Government Auditing Standards*, we have also issued our report dated May 29, 2008, on our consideration of McClain County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the combined total of all funds within the basic financial statement taken as a whole. The combining information is presented for purposes of additional analysis rather than to present the receipts, disbursements, and cash balances of the individual funds. Also, the other supplementary information, as listed in the table of contents, is presented for purposes of additional analysis, and is not a required part of the basic financial statement. Such supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statement and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statement taken as a whole. The information listed in the table of contents under Introductory Section has not been audited by us, and accordingly, we express no opinion on it.



MICHELLE R. DAY, Esq.  
Deputy State Auditor and Inspector

May 29, 2008

## **Basic Financial Statement**

**McCLAIN COUNTY, OKLAHOMA**  
**COMBINED STATEMENT OF RECEIPTS, DISBURSEMENTS, AND**  
**CHANGES IN CASH BALANCES**  
**(WITH COMBINING INFORMATION)**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

	Beginning Cash Balances July 1, 2005	Receipts Apportioned	Disbursements	Ending Cash Balances June 30, 2006
<b>Combining Information:</b>				
County General Fund	\$ 773,667	\$ 2,301,226	\$ 2,030,913	\$ 1,043,980
T-Highway	1,054,424	2,847,557	2,487,062	1,414,919
County Health	707,802	436,436	346,837	797,401
Resale Property	95,643	93,986	82,997	106,632
County Clerk Lien Fee	51,490	19,765	23,778	47,477
Treasurer's Mortgage Certification Fee	86,443	12,900	1,807	97,536
Sheriff Service Fee	104,028	393,979	388,195	109,812
Community Service Sentencing Program	14,944			14,944
County Assessor Visual Inspection	4,999		715	4,284
County 1/2 Cent Sales Tax	2,876,345	233,526	683,417	2,426,454
1% Sales Tax	802,560		3,593	798,967
Courthouse Building	3,100			3,100
Assessor's Fee	13,725	4,757	5,710	12,772
Saferoom Rebate	24,202	25,328	44,361	5,169
Trash Cop Program	1,349			1,349
Sheriff Drug Forfeiture	3,176	4,369	2,733	4,812
COPS School Grant	12,630	9,784	22,414	
Sheriff Drug Buy		700	700	
Sheriff VOCA Grant	3,232	15,226	13,714	4,744
Domestic Violence	14,370	22,938	25,113	12,195
County Clerk Preservation Fee	160,176	64,135	21,024	203,287
Civil Emergency Management Grant	5,315			5,315
Free Fair	4,055	2,168	4,217	2,006
Expo Cash Account	58,546	15,500	4,123	69,923
Sheriff Drug Restitution	100			100
Sheriff's Commissary	6,679	16,143	12,693	10,129
Court Fund Payroll	11,690	139,090	139,173	11,607
Homeland Security Grant		25,400	24,965	435
<b>Combined Total - All County Funds</b>	<b>\$ 6,894,690</b>	<b>\$ 6,684,913</b>	<b>\$ 6,370,254</b>	<b>\$ 7,209,349</b>

The notes to the financial statement are an integral part of this statement.

**McCLAIN COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

---

**1. Summary of Significant Accounting Policies**

**A. Reporting Entity**

Counties were created by the Constitution of Oklahoma. One county officer is appointed; however, most county officers are locally elected by their constituents. All county powers are delegated by the state.

The accompanying basic financial statement presents the receipts, disbursements, and changes in cash balances of the total of all funds of McClain County, Oklahoma. The funds presented as line items are not a part of the basic financial statement, but have been included as supplementary information within the basic financial statement. These separate funds are established by statute, and their operations are under the control of the County officials. The general fund is the County's general operating fund, accounting for all financial resources except those required to be accounted for in another fund. The other funds presented account for financial resources whose use is restricted for specified purposes.

**B. Fund Accounting**

The County uses funds to report on receipts, disbursements, and changes in cash balances. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

Following are descriptions of the funds included as supplementary information within the financial statement:

County General Fund - accounts for the general operations of the government.

T-Highway - accounts for state, local and miscellaneous receipts and disbursements for the purpose of constructing and maintaining county roads and bridges.

County Health - accounts for monies collected on behalf of the county health department from ad valorem taxes and state and local revenues.

Resale Property - accounts for the collection of interest and penalties on delinquent taxes and the disposition of same as restricted by statute.

County Clerk Lien Fee - accounts for lien collections and disbursements as restricted by statute.

Treasurer's Mortgage Certification Fee - accounts for the collection of fees by the Treasurer for mortgage tax certificates and the disbursement of the funds as restricted by statute.

**McCLAIN COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

---

Sheriff Service Fee - accounts for the collection and disbursement of sheriff process service fees as restricted by statute.

Community Service Sentencing Program – accounts for the collection of funding through the State Department of Corrections for administrative expenses and supervision of offenders.

County Assessor Visual Inspection - accounts for the collection and expenditure of monies by the Assessor as restricted by state statute for the visual inspection program.

County ½ Cent Sales Tax - accounts for the collection of sales tax revenue and the disbursement of funds as restricted by sales tax resolution.

1% Sales Tax – accounts for the remaining balance of sales tax revenue that expired October 31, 1997, and disbursement of funds are to be used for building restoration and construction purposes.

Courthouse Building – accounts for funds set aside for courthouse improvements.

Assessor's Fee - accounts for the collection of fees for copies restricted by state statute.

Saferoom Rebate – accounts for grant funds received and disbursement of funds as restricted by grant agreement.

Trash Cop Program – accounts for fines collected and the disbursement of funds as restricted by statute.

Sheriff Drug Forfeiture – accounts for the collection of the Sheriff's percentage of drug forfeiture.

COPS School Grant – accounts for Community Oriented Policing Services Grant funds received from the U.S. Department of Justice and the disbursement of funds as restricted by grant agreement.

Sheriff Drug Buy – accounts for monies set aside for law enforcement sting operations.

Sheriff VOCA Grant – accounts for Crime Victim Assistance Grant funds received from the U.S. Department of Justice and the disbursement of funds as restricted by grant agreement.

Domestic Violence – accounts for grant funds received and the disbursement of funds as restricted by grant agreement.

County Clerk Preservation Fee - accounts for fees collected for instruments filed in the Registrar of Deeds as restricted by statute for the preservation of records.

**McCLAIN COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

---

Civil Emergency Management Grant – accounts for grant funds received from the Federal Emergency Management Agency and the disbursement of funds as restricted by grant agreement.

Free Fair - accounts for the collection of revenue generated from building rent, booth rental, and other fees.

Expo Cash Account – accounts for the collection revenue generated from building rent.

Sheriff Drug Restitution – accounts for collections received by court orders for the purpose of drug interdiction.

Sheriff's Commissary – accounts for monies received from inmates for purchase from the County's commissary and disbursements as restricted by state statutes.

Court Fund Payroll – accounts for monies transferred from the Court Fund to be used for payroll.

Homeland Security Grant – accounts for grant funds received from the U.S. Department of Homeland Security and the disbursement of funds are used for the Law Enforcement Terrorism Prevention Program.

The County Treasurer collects and remits material amounts of intergovernmental revenues and ad valorem tax revenue for other budgetary entities, including emergency medical districts, county or city-county health departments, school districts and cities and towns. The cash receipts and disbursements attributable to those other entities do not appear in funds on the County's financial statement; those funds play no part in the County's operations.

**C. Basis of Accounting**

The basic financial statement is prepared on a basis of accounting wherein amounts are recognized when received or disbursed. This basis of accounting differs from accounting principles generally accepted in the United States of America, which require revenues to be recognized when they become available and measurable or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred. This cash basis financial presentation is not a comprehensive measure of economic condition or changes therein.

**D. Budget**

Under current Oklahoma Statutes, the general fund and the county health department fund are the only funds required to adopt a formal budget. On or before the first Monday in July of each year, each officer or department head submits an estimate of needs to the governing body. The budget is approved for the respective fund by office, or department and object. The County Board of

**McCLAIN COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

---

Commissioners may approve changes of appropriations within the fund by office or department and object. To increase or decrease the budget by fund requires approval by the County Excise Board.

For the highway funds and other funds, which are not required to adopt a formal budget, appropriations are made on a monthly basis, according to the funds then available.

**E. Cash**

The County pools the cash of its various funds in maintaining its bank accounts. However, cash applicable to a particular fund is readily identifiable on the County's books. The balance in the pooled cash accounts is available to meet current operating requirements.

State statutes require financial institutions with which the County maintains funds to deposit collateral securities to secure the County's deposits. The amount of collateral securities to be pledged is established by the County Treasurer; this amount must be at least the amount of the deposit to be secured, less the amount insured (by, for example, the FDIC).

**F. Investments**

The County Treasurer has been authorized by the County's governing board to make investments. By statute (62 O.S. § 348.1 and § 348.3), the following types of investments are allowed:

- U.S. Government obligations
- Certificates of deposit
- Savings accounts
- G.O. bonds issued by counties, municipalities or school districts
- Money judgments against counties, municipalities or school districts
- Bonds and revenue notes issued by a public trust when the beneficiary of the trust is a county, municipality or school district
- Negotiable certificates of deposit
- Prime bankers acceptance which are eligible for purchase by the Federal Reserve System
- Prime commercial paper with a maturity of 180 days or less
- Repurchase agreements
- Money market funds regulated by the Securities and Exchange Commission and which investments consist of the above-mentioned types of investments

All investments must be backed by the full faith and credit of the United States Government, the Oklahoma State Government, fully collateralized, or fully insured.

**G. Compensated Absences**

Vacation benefits are earned by the employee during the year and may accumulate from 5 to 15 days depending on the number of years of service. Vacation leave earned does not carry over



**McCLAIN COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

---

from year to year and must be taken in the year in which it was earned. Sick leave is accrued on a monthly basis. Sick leave shall accumulate at the rate of 4 hours for each full calendar month of service and may be accrued up to a maximum of 29 days.

The County does not record any liability for sick leave.

**2. Ad Valorem Tax**

The County's property tax is levied each October 1 on the assessed value listed as of January 1 of the same year for all real and personal property located in the County, except certain exempt property. Assessed values are established by the County Assessor within the prescribed guidelines established by the Oklahoma Tax Commission and the State Equalization Board. Title 68 O.S. § 2820.A. states, ". . . Each assessor shall thereafter maintain an active and systematic program of visual inspection on a continuous basis and shall establish an inspection schedule which will result in the individual visual inspection of all taxable property within the county at least once each four (4) years."

The assessed property value as of January 1, 2005, was approximately \$144,979,889.

Per Article 10, § 8A, with the repeal of personal property tax, the millages with the adjustment factor are 10.28 mills for general fund operations, 2.57 mills for county health department, and 4.11 mills for multi-county library. In addition, the County collects the ad valorem taxes assessed by cities and towns and school districts and remits the ad valorem taxes collected to the appropriate taxing units.

Taxes are due on November 1 following the levy date, although they may be paid in two equal installments. If the first half is paid prior to January 1, the second half is not delinquent until April 1. Unpaid real property taxes become a lien upon said property on October 1 of each year.

Unpaid delinquent personal property taxes are published usually in May. If the taxes are not paid within 30 days from publication, they shall be placed on the personal tax lien docket.

Current year tax collections for the year ended June 30, 2006, were approximately 96.88 percent of the tax levy.

**3. Fuel Tax**

The County receives major funding for roads and highways from a state imposed fuel tax. Taxes are collected by the Oklahoma Tax Commission. Taxes are imposed on all gasoline, diesel, and special fuel sales statewide. The County's share is determined on formulas based on the County population, road miles, and land area and is remitted to the County monthly. These funds are earmarked for roads and highways only and are accounted for in the county highway fund.

**McCLAIN COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

---

**4. Risk Management**

The County is exposed to the various risks of loss shown in the following table:

<b>Types of Loss</b>	<b>Method of Management</b>	<b>Risk of Loss Retained</b>
General Liability <ul style="list-style-type: none"> <li>• Torts</li> <li>• Errors and Omissions</li> <li>• Law Enforcement Officers Liability</li> <li>• Vehicle</li> </ul>	The County participates in a public entity risk pool: Association of County Commissioners of Oklahoma-Self-Insurance Group. (See ACCO-SIG.)	If claims exceed the authorized deductibles, the County could have to pay its share of any pool deficit. A judgment could be assessed for claims in excess of the pool's limits.
Physical Plant <ul style="list-style-type: none"> <li>• Theft</li> <li>• Damage to Assets</li> <li>• Natural Disasters</li> </ul>		
Workers' Compensation <ul style="list-style-type: none"> <li>• Employees' Injuries</li> </ul>	The County carries commercial insurance.	A judgment could be assessed for claims in excess of coverage.
Employee <ul style="list-style-type: none"> <li>• Medical</li> <li>• Disability</li> <li>• Dental</li> <li>• Life</li> </ul>	The County carries commercial insurance.	None

ACCO-SIG - The pool operates as a common risk management and insurance program and is to be self-sustaining through member premiums. Each participating county chooses a \$10,000, \$25,000, or a \$50,000 deductible amount. The County has chosen a \$10,000 deductible for each insured event as stated in the County's "Certificate of Participation." The risk pool will pay legitimate claims in excess of the deductible amount for replacement value up to \$100,000 for property, and up to \$500,000 for general liability. The pool has acquired commercial reinsurance in the amount of \$1,000,000 to cover claims that exceed the pool's risk retention limits. Settled claims have not exceeded insurance coverage for each of the past three fiscal years. There have been no significant reductions in coverage from the prior fiscal year.

Commercial Insurance - The County obtains commercial insurance coverage to pay legitimate workers' compensation claims and employees' insurance. Settled claims have not exceeded insurance coverage for each of the past three fiscal years. There have been no significant reductions in coverage from the prior fiscal year.

**McCLAIN COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

---

**5. Long-term Obligations**

**Capital Leases**

The County acquires road machinery and equipment through lease-purchase agreements financed by the Oklahoma Department of Transportation and/or the equipment vendors or their assignees pursuant to the provisions of 69 O.S. § 636.1 through § 636.7. Lease agreements entered into with the Oklahoma Department of Transportation (ODOT) are interest free. However, starting in January 1997, ODOT began charging a one-time fee of 3% on all pieces of machinery subsequently acquired.

**6. Pension Plan**

Plan Description. The County contributes to the Oklahoma Public Employees Retirement Plan (the Plan), a cost-sharing, multiple-employer defined benefit pension plan administered by the Oklahoma Public Employees Retirement System (OPERS). Benefit provisions are established and amended by the Oklahoma Legislature. The Plan provides retirement, disability, and death benefits to Plan members and beneficiaries. Title 74, Sections 901 through 943, as amended, establishes the provisions of the Plan. OPERS issues a publicly available financial report that includes financial statements and supplementary information. That report may be obtained by writing OPERS, P.O. Box 53007, Oklahoma City, Oklahoma 73105 or by calling 1-800-733-9008.

Funding Policy. The contribution rates for each member category are established by the Oklahoma Legislature and are based on an actuarial calculation which is performed to determine the adequacy of contribution rates. County employees are required to contribute between 3.5% and 8.5% of earned compensation. The County contributes between 6.5% and 11.5% of earned compensation. Elected officials could contribute between 4.5% and 10% of their entire compensation. The County contributes 11.5% of earned compensation for elected officials. The County's contributions to the Plan for the years ending June 30, 2006, 2005, and 2004, were \$252,903, \$230,833, and \$219,425, respectively, equal to the required contributions for each year.

**7. Other Post Employment Benefits (OPEB)**

In addition to the pension benefits described in the Pension Plan note, OPERS provides post-retirement health care benefits of up to \$105 each for retirees who are members of an eligible group plan. These benefits are funded on a pay-as-you-go basis as part of the overall retirement benefit. OPEB expenditure and participant information is available for the state as a whole; however, information specific to the County is not available nor can it be reasonably estimated.

**McCLAIN COUNTY, OKLAHOMA  
NOTES TO THE FINANCIAL STATEMENT  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

---

**8. Contingent Liabilities**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, primarily the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time; although, the County expects such amounts, if any, to be immaterial.

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in management's opinion, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

**9. Sales Tax**

The voters of McClain County approved a one-half (1/2%) sales tax effective July 1, 2000. This sales tax will expire July 1, 2005. The sales tax was established to provide revenue for general government, initial implementation of 911 service, law enforcement, trash cop, extension and 4-H service, rural fire protection, senior citizens, and the county fair and livestock show.

**OTHER SUPPLEMENTARY INFORMATION**

**McCLAIN COUNTY, OKLAHOMA**  
**COMPARATIVE SCHEDULE OF RECEIPTS, EXPENDITURES, AND**  
**CHANGES IN CASH BALANCES—BUDGET AND ACTUAL—BUDGETARY BASIS—**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

	General Fund			
	Original Budget	Final Budget	Actual	Variance
Beginning Cash Balances	\$ 773,667	\$ 773,667	\$ 773,667	\$ -
Less: Prior Year Outstanding Warrants	(128,178)	(128,178)	(128,178)	
Less: Prior Year Encumbrances	(15,500)	(15,500)	(7,989)	7,511
Beginning Cash Balances, Budgetary Basis	<u>629,989</u>	<u>629,989</u>	<u>637,500</u>	<u>7,511</u>
<b>Receipts:</b>				
Ad Valorem Taxes	1,354,903	1,354,903	1,622,968	268,065
Sales Tax	28,799	28,799	6,453	(22,346)
Charges for Services	195,165	195,165	245,248	50,083
Intergovernmental Revenues	154,257	154,257	175,710	21,453
Miscellaneous Revenues	69,945	70,620	250,847	180,227
Total Receipts, Budgetary Basis	<u>1,803,069</u>	<u>1,803,744</u>	<u>2,301,226</u>	<u>497,482</u>
<b>Expenditures:</b>				
County Sheriff	624,493	624,493	614,904	9,589
Total County Sheriff	<u>624,493</u>	<u>624,493</u>	<u>614,904</u>	<u>9,589</u>
County Treasurer	94,588	94,588	94,588	
Total County Treasurer	<u>94,588</u>	<u>94,588</u>	<u>94,588</u>	<u>-</u>
County Commissioners	209,509	209,509	209,352	157
Total County Commissioners	<u>209,509</u>	<u>209,509</u>	<u>209,352</u>	<u>157</u>
OSU Extension	52,916	52,916	52,768	148
Total OSU Extension	<u>52,916</u>	<u>52,916</u>	<u>52,768</u>	<u>148</u>
County Clerk	240,068	240,068	231,155	8,913
Total County Clerk	<u>240,068</u>	<u>240,068</u>	<u>231,155</u>	<u>8,913</u>
Court Clerk	160,279	160,279	160,279	
Total Court Clerk	<u>160,279</u>	<u>160,279</u>	<u>160,279</u>	<u>-</u>
County Assessor	154,197	154,197	153,057	1,140
Total County Assessor	<u>154,197</u>	<u>154,197</u>	<u>153,057</u>	<u>1,140</u>

continued on next page

The accompanying notes to the other supplementary information are an integral part of this schedule.  
See independent auditor's report.

**McCLAIN COUNTY, OKLAHOMA**  
**COMPARATIVE SCHEDULE OF RECEIPTS, EXPENDITURES, AND**  
**CHANGES IN CASH BALANCES—BUDGET AND ACTUAL—BUDGETARY BASIS—**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

continued from previous page

	Original Budget	Final Budget	Actual	Variance
Revaluation of Real Property	122,099	122,099	102,155	19,944
Capital Outlay	8,500	8,500	7,517	983
Total Revaluation of Real Property	<u>130,599</u>	<u>130,599</u>	<u>109,672</u>	<u>20,927</u>
General Government	513,232	513,907	271,540	242,367
Capital Outlay	4,001	4,001	3,850	151
Total General Government	<u>517,233</u>	<u>517,908</u>	<u>275,390</u>	<u>242,518</u>
Excise Board	3,625	3,625	2,589	1,036
Total Excise Board	<u>3,625</u>	<u>3,625</u>	<u>2,589</u>	<u>1,036</u>
County Election Board	114,658	114,658	103,558	11,100
Capital Outlay	1,000	1,000		1,000
Total County Election Board	<u>115,658</u>	<u>115,658</u>	<u>103,558</u>	<u>12,100</u>
County Insurance - Benefits	63,714	63,714		63,714
Total County Insurance - Benefits	<u>63,714</u>	<u>63,714</u>	<u>-</u>	<u>63,714</u>
County Civil Defense	35,017	35,017	23,268	11,749
Capital Outlay	1	1		1
Total County Civil Defense	<u>35,018</u>	<u>35,018</u>	<u>23,268</u>	<u>11,750</u>
County Audit Budget Account	28,161	28,161	28,161	
Total County Audit Budget Account	<u>28,161</u>	<u>28,161</u>	<u>28,161</u>	<u>-</u>
Provision for Interest on Warrants	3,000	3,000	-	3,000
Total Expenditures, Budgetary Basis	<u>2,433,058</u>	<u>2,433,733</u>	<u>2,058,741</u>	<u>374,992</u>
Excess of Receipts and Beginning Cash Balances Over Expenditures, Budgetary Basis	<u>\$ -</u>	<u>\$ -</u>	879,985	<u>\$ 879,985</u>
Reconciliation to Statement of Receipts, Disbursements, and Changes in Cash Balances				
Add: Current Year Encumbrances			36,019	
Add: Current Year Outstanding Warrants			127,976	
Ending Cash Balance			<u>\$ 1,043,980</u>	

The accompanying notes to the other supplementary information are an integral part of this schedule.  
See independent auditor's report.

**McCLAIN COUNTY, OKLAHOMA**  
**COMPARATIVE SCHEDULE OF RECEIPTS, EXPENDITURES, AND**  
**CHANGES IN CASH BALANCES—BUDGET AND ACTUAL—BUDGETARY BASIS—**  
**COUNTY HEALTH DEPARTMENT FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

	County Health Department Fund			
	Original Budget	Final Budget	Actual	Variance
Beginning Cash Balances	\$ 707,802	\$ 707,802	\$ 707,802	\$ -
Less: Prior Year Outstanding Warrants	(1,982)	(1,982)	(1,982)	
Less: Prior Year Encumbrances	(26,222)	(26,222)	(25,950)	272
Beginning Cash Balances, Budgetary Basis	<u>679,598</u>	<u>679,598</u>	<u>679,870</u>	<u>272</u>
<b>Receipts:</b>				
Ad Valorem Taxes	338,726	338,726	405,742	67,016
Charges for Services		6,031	7,514	1,483
Intergovernmental			224	224
Miscellaneous Revenues			22,956	22,956
Total Receipts, Budgetary Basis	<u>338,726</u>	<u>344,757</u>	<u>436,436</u>	<u>91,679</u>
<b>Expenditures:</b>				
Health and Welfare	367,000	373,031	344,326	28,705
Capital Outlay	651,324	651,324	7,832	643,492
Total Expenditures, Budgetary Basis	<u>1,018,324</u>	<u>1,024,355</u>	<u>352,158</u>	<u>672,197</u>
Excess of Receipts and Beginning Cash Balances Over Expenditures, Budgetary Basis	<u>\$ -</u>	<u>\$ -</u>	764,148	<u>\$ 764,148</u>
<b>Reconciliation to Statement of Receipts, Disbursements, and Changes in Cash Balances</b>				
Add: Current Year Encumbrances			30,899	
Add: Current Year Outstanding Warrants			2,354	
Ending Cash Balance			<u>\$ 797,401</u>	

The accompanying notes to the other supplementary information are an integral part of this schedule.  
See independent auditor's report.



**McCLAIN COUNTY, OKLAHOMA  
NOTE TO THE OTHER SUPPLEMENTARY INFORMATION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

---

**1. Budgetary Schedules**

The Comparative Schedules of Receipts, Expenditures, and Changes in Cash Balances—Budget and Actual—Budgetary Basis, for the General Fund and the County Health Department Fund present comparisons of the legally adopted budget with actual data. The "actual" data, as presented in the comparison of budget and actual, will differ from the data as presented in the Combined Statement of Receipts, Disbursements, and Changes in Cash Balances with Combining Information because of adopting certain aspects of the budgetary basis of accounting and the adjusting of encumbrances and outstanding warrants to their related budget year.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in these funds. At the end of the year, unencumbered appropriations lapse.

**INTERNAL CONTROL AND COMPLIANCE SECTION**



**STATE OF OKLAHOMA**  
**OFFICE OF THE AUDITOR AND INSPECTOR**

JEFF A. McMAHAN  
State Auditor and Inspector

**Report on Internal Control Over Financial Reporting and on Compliance and Other Matters  
Based on an Audit of Financial Statements Performed in Accordance with  
*Government Auditing Standards***

TO THE OFFICERS OF  
McCLAIN COUNTY, OKLAHOMA

We have audited the combined totals—all funds of the accompanying Combined Statement of Receipts, Disbursements, and Changes in Cash Balances of McClain County, Oklahoma, as of and for the year ended June 30, 2006, which comprises McClain County's basic financial statement, prepared using accounting practices prescribed or permitted by Oklahoma state law, and have issued our report thereon dated May 29, 2008. Our report on the basic financial statement was adverse because the statement is not a presentation in conformity with accounting principles generally accepted in the United States of America. Also, our report describes certain responsibilities of the State Auditor and Inspector's Office other than audit responsibilities. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered McClain County's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statement and not to provide an opinion on the internal control over financial reporting. However, we noted a certain matter involving the internal control over financial reporting and its operation that we consider to be a reportable condition. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal control over financial reporting that, in our judgment, could adversely affect McClain County's ability to initiate, record, process, and report financial data consistent with the assertions of management in the financial statement. The reportable condition is described in the accompanying schedule of findings and responses as item 2006-1.

A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statement being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we consider the reportable condition described above to be a material weakness.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether McClain County's financial statement is free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted a certain matter that we reported to the management of McClain County, which is included in Section 2 of the schedule of findings and responses contained in this report.

This report is intended solely for the information and use of the management of the County and should not be used for any other purpose. This report is also a public document pursuant to the Oklahoma Open Records Act (51 O.S., section 24A.1 et seq.), and shall be open to any person for inspection and copying.



MICHELLE R. DAY, Esq.  
Deputy State Auditor and Inspector

May 29, 2008

**McCLAIN COUNTY, OKLAHOMA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

---

**SECTION 1—Findings related to the Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards***

**Finding 2006-1—Segregation of Duties (Repeat Finding)**

Criteria: Segregation of duties over asset custody, transaction authorization, bookkeeping, and reconciliation are important elements of effective internal control over government assets and resources.

Condition: The limited number of office personnel within several County offices prevents a proper segregation of accounting functions, which is necessary to assure adequate internal control structure.

Effect: This condition could result in unrecorded transactions, misstated financial reports, undetected errors, or misappropriation of assets.

Recommendation: We recommend management be aware of this condition and realize that concentration of duties and responsibilities in a limited number of individuals is not desired from a control point of view. The most effective controls lie in management's knowledge of office operations and a periodic review of operations.

Views of responsible officials and planned corrective actions: We concur with the State Auditor's findings. Management does have knowledge of office operations and will perform a periodic review of these operations.

**SECTION 2—This section contains certain matters not required to be reported in accordance with *Government Auditing Standards*. However, we believe these matters are significant enough to bring to management's attention. We recommend that management consider these matters and take appropriate corrective action.**

**Finding 2006-4—Fixed Assets Inventory**

Criteria: Statutory requirements have been established for inventory control in county government. Title 19 O.S. § 178.1 states, "The board of county commissioners in each county of this state shall take, or cause to be taken, an inventory of all working tools, apparatus, machinery and equipment belonging to the county or leased or otherwise let to it or to any department thereof, other than that which is affixed to and made a part of lands and buildings, the cost of which as to each complete working unit thereof is more than Five Hundred Dollars (\$500.00), and therefore maintain or cause to be maintained a continuous inventory record thereof and of like tools, apparatus, machinery and equipment purchased, leased, or otherwise coming into custody of the county or of any office, board, department, commission or any or either thereof, and the disposition thereof whether sold, exchanged, leased, or let where authorized by statute, junked, strayed or stolen, and biennially thereafter...."

**McCLAIN COUNTY, OKLAHOMA  
SCHEDULE OF FINDINGS AND RESPONSES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2006**

---

Condition: All offices, with the exception of the County Clerk, District 1 and 3, BOCC, and the Blanchard Senior Citizens Center, do not perform a biennial verification of the fixed assets inventory.

Effect: This condition could result in unrecorded transactions and misappropriation of assets.

Recommendation: We recommend that the Board of County Commissioners cause a biennial inventory to be taken of all working tools, apparatus, machinery, and equipment belonging to the County. We also recommend that these inventories be documented on form #3512.

Views of responsible officials and planned corrective actions: All Officers will work to compile a complete listing of County inventory. We will also try to conduct a physical inventory of all items once every two years.



**OFFICE OF THE STATE AUDITOR AND INSPECTOR  
2300 N. LINCOLN BOULEVARD, ROOM 100  
OKLAHOMA CITY, OK 73105-4896**

**[WWW.SAI.STATE.OK.US](http://WWW.SAI.STATE.OK.US)**